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Attorneys for Creditor County of Riverside

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO

In Re:

KELLY L. FANGER,

Debtor.

Case No. 17-1057-JPS

Chapter 13

STIPULATION OF
NONDISCHARGEABILITY OF DEBT RE:
COUNTY OF RIVERSIDE'S DEPARTMENT
OF PUBLIC SOCIAL SERVICES

This *Stipulation Of Nondischargeability of Debt Re: County of Riverside's Department of Public Social Services* ("Stipulation") is hereby entered into by and between Debtor KELLY L. FANGER ("Debtor"), by and through her counsel of record, on one hand, and the County of Riverside's Department of Public Social Services ("County"), on the other hand, and is made with reference to the following facts and circumstances (the Debtor and County may be referred to herein, collectively, as the "Parties").

RECITALS

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2 1. From approximately August 2010 to approximately February 2014, Debtor was the recipient of
3 financial aid through the Department of Public Social Services. Specifically, Debtor was a program
4 participant of the CalWORKs and/or CalFresh public assistance programs.

5 2. Based upon an investigation and various written documentation, including information from
6 Southwest Boulder & Stone Inc., the County determined that the Debtor had failed to report earnings and
7 other sources of income in violation of California State law. Specifically, the Debtor earned, and failed to
8 report, at least \$10,934.00 in wages and earnings in 2013. The County asserts a right to recover
9 \$15,367.00 in CalWORKs and CalFRESH benefits. As a result of Debtor's failure to report earned
10 income, the County initiated recovery proceedings against the Debtor and referred the matter for criminal
11 prosecution to the Riverside County District Attorney.

12 3. On December 18, 2015, a felony complaint was filed with the Superior Court of California,
13 County of Riverside (Southwest) entitled *The People of the State of California v. Kelly Lynn Fanger*,
14 Case No. SWF 1501036. Said felony complaint remains pending against the Debtor.

15 4. On or about March 15, 2017, Deputy County Counsel Ronak N. Patel and Debtor's counsel, Mr.
16 Alexander Sarady, began discussing the non-dischargeability of debt arising from the aforementioned
17 facts described in Section 2 and Section 3.

18 5. Between March 15, 2017 and April 13, 2017, counsel for the Parties electronically met and
19 conferred regarding the non-dischargeability of debt arising out of Debtor's actions. Counsel for the
20 Parties agree that of scheduled debt of \$15,357.00 only \$7,372.00 is non-dischargeable. The remaining
21 portion of approximately \$7,985.00 will be listed as a general unsecured claim.

22 6. The Parties now seek to formalize the informal agreement regarding the non-dischargeability of
23 debt arising out of Debtor's actions.
24

STIPULATION

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26 NOW, THEREFORE, based upon the foregoing recitals, the Parties agree and stipulate through
27 their attorneys of record as follows:
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1 A. Debtor is obligated to the County based on a failure to report additional income in the
2 amount of \$15,357.00. The County has filed a claim for this amount and will not be required to take any
3 further action in light of this Stipulation.

4 B. The Parties agree that \$7,372.00 is priority, non-dischargeable debt and that remaining
5 amount of \$7,985.00 will be scheduled as a general unsecured debt.

6 C. Debtor shall pay a fixed monthly payment to County pursuant to an approved Chapter 13
7 Plan.

8 D. If the Debtor fails to make payments for three consecutive (3) months, then the Parties
9 agree that the County may enforce any and all state law remedies to collect on the entire mount due and
10 owing, including instituting a civil suit to collect on the delinquent amount and be awarded reasonable
11 attorney's fees for prevailing in any such civil suit.

12 E. Nothing herein, including the proposed repayment of monies, shall constitute any
13 admission of criminal liability by Debtor.


14 F. No notice to creditors or hearing shall be required to effectuate the foregoing.

15 G. The associated adversary case, (# 17-01057), is to be dismissed without prejudice, with
16 each party to bear their own attorney's fees and costs.

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19 DATED: June 5, 2017

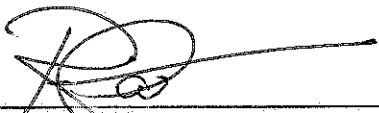
By: 
KELLY LYNN FANGER, Debtor

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22 DATED: June 5, 2017

By: 
ALEXANDER SARADY, Attorney for
Debtor Kelly Lynn Fanger *pm*
ON BEHALF OF ATTORNEY OF RECORD
MELISSA L. RESAR

23
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26 DATED: June 13, 2017

GREGORY P. PRIAMOS
COUNTY COUNSEL

By: 
RONAK N. PATEL, Attorney for
Creditor County of Riverside's Housing Authority

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
3960 Orange Street, Suite 500, Riverside, CA 92501

A true and correct copy of the foregoing document entitled (*specify*): **STIPULATION OF NON-DISCHARGEABILITY OF DEBT RE: COUNTY OF RIVERSIDE'S DEPARTMENT OF PUBLIC SOCIAL SERVICES** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (date) 06/14/2017, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (date) 06/14/2017, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

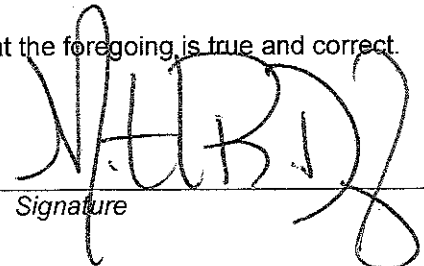
3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (date) _____, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

06/14/2017
Date

Martha R. Dominguez
Printed Name


Signature

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**PROOF OF SERVICE LIST
CASE NO. 17-1057-JPS**

Served By the Court Via Electronic Service:

Craig H. Shopneck - ch13shopneck@ch13cleve.com, cshopneck13@ecf.epiqsystems.com

Melissa L. Resar on behalf of Debtor Kelly L. Fanger - mresar@ohiolegalclinic.com

Served Via United States Mail:

Kelly L. Fanger - 14506 Glencliffe Road, Cleveland, OH 44111-1320

Alexander V. Sarady, Esq. – 614 W. Superior Avenue, #950, Cleveland, OH 44113 -1306 (Counsel for Debtor)